

NEW SOUTH WALESBUSINESS STATISTICS - MONTHLY DIGEST.AUGUST - 1943.GENERAL.

The Labour Government, under Prime Minister Mr. John Curtin, has been confirmed in office with a record majority of supporters in the Lower House. The Government also will have a large majority in the Senate after July 1st, 1944.

In his policy speech, the Prime Minister said that during his term the fighting services had been expanded from 431,000 persons to 820,000. The number engaged in direct war production expanded from 123,000 to 352,000. In sixteen months the Allied Works Council spent £82 m. on strategic and essential works. One of the problems now being tackled is the re-allotment of manpower as objectives in the war programme are achieved. Dealing with the post-war period, Mr. Curtin said that his Government wished to develop the country's resources to assure to every Australian a national minimum of income and social services. Reasonable opportunities for employment would be provided for ex-Servicemen on discharge together with the fullest economic protection during any unavoidable period of transition back to civilian activities. A bill has been prepared to provide benefits for persons whose normal earnings become interrupted through sickness or unemployment. The Government would ensure that the complete administration for a comprehensive social security scheme would be in operation when the war ends.

This month's digest of business statistics includes notes on government finance, banking trends, share prices, commerce, wholesale prices indexes, employment (factory, rural and total), government transport services and primary industries. In the current issue are extracts from the statistics of rural production, livestock etc. which were collected in April-May, 1943 and are now available for publication.

PUBLIC FINANCE.

Commonwealth. War and civil expenditure (excluding civil loan expenditure) of the Commonwealth Government in July, 1943 totalled £50.4 m. including £40.4 m. for war purposes.

Preparations are being made for launching a war loan of £125 m. Over 90% of the £13.0.6 m. maturing loan has been converted into new securities.

Old-age pensions have been adjusted upwards by 6d. to 27/- weekly following the recent rise in the cost of living.

COMMONWEALTH REVENUE AND EXPENDITURE.

£ millions.

Item.	Month of July			Year ended June	
	1941	1942	1943	1942	1943
War (1939-) Expenditure					
- From Loan	12.9	24.9	28.3	211	403
- " Revenue*	2.5	6.5	12.1	109	159
- Total War Exp.*	15.4	31.4	40.4	320	562
Non-War expenditure from revenue	8.6	9.5	10.0	101	108
TOTAL	24.0	40.9	50.4	421	670

(Excluding reimbursement of States for income tax).

* Including interest and sinking fund.

2.

In the course of a statement on financial policy, Mr. Curtin stated that Australia's national income had risen from £800 m. to about £1,150 m.. In peace-time, when it is no longer necessary to divert a large proportion of goods and services to war services, an attempt must be made to keep the national income at its present high level. It is necessary to ensure that the national income is composed of the things that people most want and that these things are available to the people in the greatest need.

State Government Accounts.

For the month of July, 1943 ^{there was an} excess of £300,000 of receipts over expenditure in the accounts of the Consolidated Revenue Fund, Business Undertakings and Main Roads Department. Corresponding figures were £490,000 for July, 1941 and £400,000 in July, 1942. Both revenue and expenditure were higher in July 1943 than in the previous two years.

N.S.W. GOVERNMENT ACCOUNTS.

Consolidated Revenue Fund and Business Undertakings (incl. Main Roads Dept.)

		Month of July		
		1941	1942	1943
Revenue	£m.	4.90	4.89	5.23
Expenditure	£m.	4.41	4.49	4.93
Surplus (+) or Deficit (-)	£m.	+ 0.49	+ 0.40	+ 0.30

PRIVATE FINANCE.

Trading bank deposits in Australia, which had been trending upwards during the war, showed small decreases in the last few months of 1942-43 as a result of seasonal factors. Cash and Treasury Bill holdings declined considerably but other classes of assets rose. Special (compulsory) deposits with the Commonwealth Bank are now in excess of £100 m. and holdings of Government securities are very large.

The level of advances, discounts etc. which has declined during the war, began to move upward in April, 1943 - probably as a result of special factors. There was only an insignificant rise in June.

NINE TRADING BANKS - AUSTRALIA

Liabilities and Assets within Australia.

£A million.

Av. of Weekly Figures	Deposits			Coin, Notes and Bullion etc. ø	Treas-ury Bills.	Govt. & Municipal Securities	Special Wartime Deposits with C'wealth Bank	Advances, Discounts etc.
	Bearing Interest (Fixed)	Not Bearing Interest (Current)	Total					
1939	199.9	121.6	321.5	33.8	23.2	22.1	-	290.7
1941	205.0	162.6	367.6	41.3	41.0	60.8	0.7	280.4
1942	194.1	201.4	395.5	44.8	46.9	57.8	39.3	262.1
1941/42 Mar.	197.5	188.9	386.4	38.5	47.7	56.4	34.9	263.3
Apr.	194.1	191.2	385.3	35.3	40.4	56.3	37.1	271.3
May	192.8	193.3	386.1	39.5	38.6	56.3	37.0	269.9
June	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
1942/43 Mar.	197.1	262.3	459.4	44.8	82.7	63.2	89.2	234.2
Apr.	197.3	261.6	458.9	30.2	77.6	69.0	95.9	242.4
May	196.3	257.8	454.1	33.3	55.3	74.1	102.0	245.8
June	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0

ø Incl. cash on deposit with the C'wealth Bank.

Accounts of the Note Issue Department indicate that the face value of Australian notes held by the public in June, 1943 was £123.4 m. compared with £85.8 m. in June last year.

Apart from the rise in compulsory trading bank deposits with the Commonwealth Bank the chief features of the latter bank's accounts are the rises in Government security holdings and in "London funds and sterling reserve" together with a decrease in advances.

COMMONWEALTH BANK OF AUSTRALIA

NOTE ISSUE AND GENERAL BANKING DEPTS.

£A Million.

Av. of Weekly Figures.	Notes in Circulation held by:			Deposits (incl. other banks' balances)			Govt. & Other Securities incl. Treasury Bills.	Sterling Reserve and London "Short Call"	Dis-counts and Ad-vances.
	Public	Banks	Total	T.B.S.W. Deposits	Other	Total			
1939	34.8	14.6	49.4	-	87.4	87.4	99.2	33.3	17.4
1941	54.6	14.2	68.8	0.7	116.4	117.1	105.6	65.7	22.4
1942	86.7	15.3	102.0	39.3	135.5	174.8	199.8	62.8	26.6
1942-Mar.	75.7	14.3	90.0	34.9	119.6	154.5	169.6	52.7	35.3
Apr.	79.7	15.3	95.0	37.1	123.4	160.5	182.6	53.8	30.0
May	82.0	15.6	97.6	37.0	127.5	164.5	187.8	57.0	29.0
June	85.8	15.1	100.9	36.4	126.2	162.6	185.2	63.7	28.0
1943-Mar.	114.7	15.4	130.1	89.2	179.3	268.5	308.6	75.0	28.2
Apr.	119.7	14.8	134.5	95.9	179.4	275.3	317.6	78.0	24.9
May	121.1	17.1	138.2	102.0	180.7	282.9	329.2	80.9	21.3
June	123.4	15.0	138.4	102.9	178.9	281.8	326.6	83.8	21.3

(T.B.S.W. = Trading banks' special war-time deposits under National Security Regulations).

STOCK EXCHANGE.

The Government Statistician's index of share prices rose one point in July, 1943. The index for 34 active shares was two points higher than in June. All classes of shares were in demand and the individual indexes which showed the greatest increases were retail and public utility companies.

SHARE PRICE INDEX.

Month	34 Active Shares	Complete Index.
1939-Aug.	182	174
1941-Sept.	191	175
1942-June	157	147
-July	163	150
1943-May	196	179
-June	196	180
-July	198	181

COMMERCE.

Bank clearings (Sydney) have reached a very high level. The record totals for April, May and June, 1943 may be related to special factors such as income tax payments and payments to primary producers. The index of the amount of clearings needs correction for changes in prices before it is a measure of the volume of business transactions. It is possible that changes in habits as a result of war conditions have also influenced the flow of cheques through the clearing house.

Statistics of retail and wholesale sales are not yet available for June, 1943.

/Table.....

Period.	Bank Clearings (Sydney)		Wholesale Trade Sales (N.S.W.)	Retail Trade, Sydney : Index of Value of Sales. (1931=100).	Real Estate Transactions.	
	Amount	Index No. (a) ϕ			Mortgages	Sales
	£m.		£m.	Index No.	£m.	£m.
1939	932	100	200	146	22.4	32.2
1941	1,139	120	220	178	15.6	33.2
1942	1,249	131	239	169	8.0	21.6
1942-Apr.	95.4	125	19.2	194	0.9	2.3
May	98.9	125	20.7	192	0.5	1.2
June	116.6	133	18.9	170	0.6	1.3
1943-Apr.	125.3	150	21.9	158	0.5	1.5
May	123.0	155	19.6	173	0.4	1.2
June	132.6	163	-	-	0.4	1.4

ϕ Three months ended month shown.

(a) Av. corresp. period 1926-30 = 100. The effects of special Government transactions are eliminated from the Index.

PRICES.

The trend of retail prices, as reflected in the "C" Series Index Numbers, was shown in B.S. 1943/7A. Below are index numbers of wholesale prices in Australia. During the four months ended June, 1943 the complete index rose three points. There were only minor movements in the individual class indexes for other than foodstuffs and building materials. The index of wholesale prices in the foodstuffs and tobacco group in May 1943 was at the same level as in May, 1942.

AUST. - WHOLESALE PRICES - BASIC MATERIALS AND FOODSTUFFS

INDEX NUMBERS.

Base : 1928-29 = 100.

Period	Metals & Coal	Oils, Fats and Waxes	Textiles	Chemicals	Rubber & Hides	Building Materials	Foodstuffs and Tobacco	Goods Princip. Imported (a)	Goods Princip. Home Produced	All Groups
1938-39	81	94	63	83	81	102	96	109	86	92
1939-40	83	108	81	88	101	114	95	121	87	95
1940-41	85	129	86	102	109	136	100	145	90	105
1941-42	92	142	92	113	118	143	109	167	95	113
1942-Mar.	93	148	93	116	119	140	108	167	96	113
Apr.	95	148	95	116	119	140	111	169	98	113
May	95	148	96	116	119	160	119	184	100	120
1943-Jan.	103	159	120	117	123	179	113	197	99	123
Mar.	103	159	120	118	123	180	118	198	102	125
Apr.	103	159	118	118	123	180	119	199	102	125
May	103	159	122	118	123	180	119	198	103	126
June	103	159	122	118	123	184	121	200	103	127

(a) These index numbers do not measure changes in prices of imports generally.

Prices have been fixed for new and second-hand tyres and tubes in order to check the tendency towards inflated values and to regulate distribution.

WAGES.

The High Court has upheld the validity of the women's Employment Act and the decisions of the W.E. Board made within specified periods. The effect of the

judgments is to validate the common rule decisions of the Board made prior to September 23rd, 1942 and between October 6th, 1942 and March, 1943 when the Senate disallowed the Statutory Rules under which the Board functioned. However, due to the Senate's action the Board can no longer function. A large number of women was affected by the decision. Thousands have become entitled to arrears of pay to bring their wages up to 90% of the male rates.

EMPLOYMENT IN N.S.W.

Estimated Total non-rural employment (excl. household domestics) was 773,200 at the end of May, 1943. Employment of both males and females expanded compared with April as a result of increased factory employment (shown below).

During the three months March to May, 1943, males in the employ of Government authorities have shown little change but females so employed have regularly increased. Private employment (excl. rural and household domestics) was unchanged from April to May, 1943 at 575,700.

Pay-roll Tax returns for May indicated further decline in employment in wholesale and retail trade.

Factory Employment.

Estimated total employment in factories in N.S.W. (including working proprietors) was 317,400 at the end of May, 1943. During the month there were increases in factory employees viz.: 800 males and 600 females, mainly in Government factories. There was a further small seasonal decline in employment in food processing factories. In the engineering, founding, steel and vehicles industries employment increased by approximately 2,000 persons of whom 1,200 were females.

FACTORY EMPLOYMENT - N.S.W.
(Including Working Proprietors.)

	Average No. Employed, whole year.				Estimates [■]					
	1938/39	1939/40	1940/41	1941/42	July '42	Sept. '42	Dec. '42	Mar. '43	Apr. '43	May '43
					Thousands omitted.					
<u>MALES</u>	167.2	172.3	194.2	216.8	218.9	219.4	219.9	223.1	223.0	223.8
<u>FEMALES</u>	61.6	64.7	71.6	81.4	84.4	86.0	89.6	92.6	93.0	93.6
<u>TOTAL</u>	228.8	237.0	265.8	298.2	303.3	305.4	309.5	315.7	316.0	317.4
Index No. (1938/39=100)	100	104	116	130	133	133	135	138	138	139

■ Based on Pay-Roll Tax and Government factory returns. Subject to revision after annual factory census.

Numbers engaged in rural industry.

Including casual and seasonal workers, owners etc. and employees, the number of persons engaged on rural holdings in N.S.W. has decreased from about 174,000 in 1938/39 to some 134,000. Considering males only, the decrease was from about 166,000 to approximately 115,000.

/The decrease

N.S.W.
NON-RURAL EMPLOYMENT (excluding household domestics).

Month	Males	Females	Total
	'000	'000	'000
1939-July	535.6	160.7	696.3
1941-July	561.0	208.5	769.5
-Nov.	569.4	217.8	(a) 787.2
1942-Apr.	552.2	225.1	777.3
May	550.1	225.4	775.5
July	542.9	226.3	769.2
1943-Feb.	536.2	237.7	773.9
Mar.	534.2	239.9	774.1
Apr.	531.5	240.6	772.1
May	532.0	241.2	773.2

(Excludes military personnel but includes Civil Constr. Corps).
(a) Wartime peak.

The decrease in rural labour is not fully illustrated by the figures above because of the loss of able-bodied men of military age. Part of the loss to the Forces and industry has been made up from the ranks of women and older men.

During 1942-43 males permanently engaged full-time on rural holdings decreased from 105,123 at the beginning of the year to 97,903. In the same period females permanently engaged increased by 4,883 to 16,162. Figures for earlier years are shown in the tables below.

N.S.W.

I. PERSONS WORKING FULL-TIME PERMANENTLY ON RURAL HOLDINGS
(Excludes Casual and Seasonal Workers).

As at 31st March.

Division	MALES.			FEMALES.		
	1939	1942	1943	1939	1942	1943
Coastal	50,398	41,524	39,197	6,405	9,423	11,321
Tablelands	21,222	17,969	16,903	290	667	1,628
Slopes	29,367	24,367	22,365	259	593	1,589
Plains	21,007	17,166	15,755	91	507	1,395
Western	4,347	4,097	3,683	14	89	229
Total	126,341	105,123	97,903	7,059	11,279	16,162

II. MALES WORKING FULL-TIME PERMANENTLY ON RURAL HOLDINGS.

As at 31st March	Owners, etc.	Relatives (a)	Employees	Total	Decrease during year.
1939	68,009	17,555	40,777	126,341	...
1940	67,443	17,629	40,484	125,556	785
1941	66,395	16,343	38,626	121,364	4,192
1942	64,238	12,339	28,546	105,123	16,241
1943	59,260	12,172	26,471	97,903	7,220

(a) Not receiving wages.

The State Manpower Directorate has stated that an additional 400 shearers are required for the peak of the season's operations in August-September.

TRANSPORT.

The Government railways had a surplus of revenue over working expenses of £6.73 m. in 1942-43, sufficient to cover debt charges (interest, sinking fund and exchange) if these do not much exceed 1941-42 charges. The tonnage of freight and livestock carried in 1942-43 was over 1 m. tons greater than in the previous year and 4.3 m. tons greater than in 1938-39. Passenger traffic also showed further expansion and the number of journeys - 237 m. - was 50 m. above 1938-39.

Passenger journeys on trams and 'buses in 1942-43 totalled 501 million (excl. Sydney Harbour Bridge section) or 24 m. above 1941/42. Working expenses increased more than earnings and the working surplus was lower than in 1941/42.

GOVERNMENT TRANSPORT SERVICES.

Year ended June	RAILWAYS.				TRAMS & 'BUSES (a)			
	Tonnage of Goods and Livestock	Working Expenses ϕ	Excess of Earnings over Working Expenses. ϕ	Passenger Journeys	Earnings.	Working Expenses (x)	Excess of Earnings over Working Expenses (x)	Passenger Journeys \times
	'000 tons	£000	£000	Million	£000	£000	£000	Million.
1938/39	15,417	14,543	4,603	187	4,374	3,707	667	375
1940/41	18,031	17,162	6,054	194	4,790	3,932	858	407
1941/42	18,651	21,713	5,974	219	5,429	4,646	783	477
1942/43	19,678	27,343	6,729	237	5,582	4,946	636	501

(a) Sydney and Newcastle

 ϕ Excl. interest, s. fund and exchange (£6,570,000 in 1941/42)

(x) Excl. interest, s. fund, exch. and current depreciation (£605,000 in 1941/42).

 \times Excludes Sydney Harbour Bridge Section trips.PRIMARY AND EXPORT INDUSTRIES.

Seasonal Conditions. Frosts and snow during July and August adversely affected crops, particularly vegetables. "After shearing" pastures have not been as satisfactory as last year and rain is needed.

The index of rainfall in July indicated that on an average coastal dairying areas received only 6% of normal rainfall, while in sheep and wheat districts the corresponding figures were 67% and 83% respectively.

RAINFALL INDEX - N.S.W.

Weighted average ratio of actual to normal rainfall.
Normal rainfall each month = 100.

Period.	Sheep Districts	Wheat Districts	Dairying (Coastal) Districts.
Year 1942	111	110	97
1943 - Jan.	141	138	75
Mar.	15	17	44
May	124	118	216
June	51	53	25
July	67	83	6

EXPORT PRICES.

The Commonwealth Statistician's Export Price Index for the trade year ended May, 1943 was 1,075 on the basis of 1,000 in the corresponding period a year earlier. One of the principal causes of the higher export price level was the higher price paid by Britain for wool in 1942-43.

EXPORT PRICE INDEX.

(Base: Weighted average price level in corresponding months of previous year = 1000)

	<u>1939/40</u>	<u>1940/41</u>	<u>1941/42</u>	<u>1942/43</u>
Trade year ended May compared with same period in previous year:	1,181	1,056	1,018	1,075

AREA UNDER CROP, 1942/43.

The total area under crop in N.S.W. in 1942/43 was 5,285,142 acres compared with 5,914,061 ac. in 1941/42 and 7,044,038 in 1938/39. The decrease in acreage under crop is primarily due to reduced wheat sowing - the decline in area harvested for grain being 1,618,000 acres in the four years ended 1942-43.

The acreage under oats recovered in 1942-43 to approximately the pre-war level and is expected to expand to a record total of 1,155,000 acres in 1943-44. Areas under price and potatoes showed relatively great expansion in 1942-43.

Farmers' returns indicate that some 326,000 fewer acres were sown to wheat in the current season (1943-44).

AREAS UNDER PRINCIPAL CROPS - N.S.W.

C r o p .	1938-39	1940-41	1941-42	1942-43
	acres	acres	acres	acres
Total Area under Crop	7,044,038	6,365,435	5,914,061	5,285,142
Area harvested for Grain -				
Wheat	4,650,872	4,453,963	3,968,758	3,032,946
Oats	399,449	236,910	303,860	431,299
Maize	122,201	142,137	117,262	103,591
Rice	23,533	24,547	23,721	34,327
Area harvested for Hay -				
Wheaten	559,437	354,833	346,261	287,470
Oaten	413,002	248,493	289,943	351,985
Lucerne.....	92,598	109,164	75,855	91,671
Area of -				
Green Fodder or Fed-off	573,569	579,656	(a)	728,211
Orchards.....	70,504	69,082	68,528	65,775
Grapes	16,979	16,478	(a)	16,302
Potatoes	16,866	17,836	17,685	26,033
Bananas	13,871	15,264	(a)	12,457
Sugar Cane (cut for crushing)	10,458	10,192	8,491	9,732

(a) Not available.

The yield of wheat in 1942/43 was 51.69 m. bus. from 3.03 m. acres equal to 17 bus. per acre. This was the best yield per acre since 1939-40 (17.5 bus. per acre) and compares with 12.2 b.p.ac. in 1941-42.

The crops of maize, tobacco and sugar-cane (crushed) decreased in 1942-43 compared with the previous year. There were large increases in the crops of potatoes, rice, oats and tomatoes and in the tonnage of hay produced. Hay produced in 1942-43 was still below 1938-39 production. The citrus crop was the smallest since 1923-24 and approximately one-third below the 1938-39 crop. Many orchards, particularly non-citrus, have gone out of production.

N.S.W. - CROP STATISTICS.

Year ended 31st March.

Crop	Unit of Quantity	Production.			
		1938/39	1940/41	1941/42	1942/43
Grain -					
Wheat	Bus.	59,898,000	23,934,000	48,500,000	51,693,000
Maize	"	2,905,020	4,044,000	3,141,720	2,814,765
Oats	"	4,831,110	1,995,330	4,118,091	7,338,213
Rice	"	2,774,987	2,240,267	2,240,000	3,053,000
Hay -					
Wheaten	Tons	611,736	271,195	315,393	373,202
Oaten	"	430,824	177,070	283,978	448,368
Lucerne	"	135,315	166,660	113,914	158,109
Root Crops -					
Potatoes	"	39,385	50,388	38,634	64,723
Onions	"	316	714	1,131	3,288
Turnips	"	30,528	32,205	25,071	27,000 (a)
Misc. -					
Tobacco (Dried)	Cwt.	3,550	8,589	7,461	6,892
Sugar Cane (crushed)	Tons	336,701	342,548	359,433	334,081
Tomatoes	$\frac{1}{2}$ cases	568,025	685,402	655,338	1,097,922

(a) Estimated.

WOOL.

The Production of wool in 1942-43 was 497,538,000 lb., which was approximately 50,000,000 lb. less than the record established in 1941-42. The average clip for grown sheep shorn was 8.3 lb. per head, and for lambs shorn 2.9 lb. per head. The over-all average for sheep and lambs was 7.5 lb. The number of sheep and lambs shorn in 1942-43 was 57,654,000 - a decline of 913,000 as compared with the high number in 1941-42.

Statistics for 1942-43 and preceding years are as follow:-

Season	Sheep and Lambs shorn.	Average Clip (a) (Greasy)	Weight of Wool Produced (as in the grease)				Total Production
			Shorn and Crutched.	Dead.	Fell-mongered.	Exported on skins.	
	thousands	lb.			thousand lb.		
1938-39	51,530	7.6	391,627	2,427	25,677	17,410	457,141
1939-40	54,637	9.1	497,356	1,095	(b) 47,822		546,273
1940-41	57,704	8.4	483,992	1,326	(b) 51,589		536,807
1941-42	58,537	8.5	497,446	1,125	(b) 48,429		547,000
1942-43	57,654	7.8	448,968	1,278	(b) 47,292		497,538(c)

(a) Includes crutchings. (b) Includes fellmongered and exported on skins.

(c) Exclusive of 14,000,000 lb. of 1943-44 wool shorn early under zone system.

SHEEP.

The number of sheep in New South Wales as at 31st March 1943 was 56,043,000 - or 694,000 less than in March, 1942, but was higher than in any other year since 1894. Lambing decreased by a million, and the slaughtering was the highest on record.

Comparisons for the past five years are as follow:-

/Table.....

SHEEP IN NEW SOUTH WALES
(In thousands)

Particulars.	1938-39	1939-40	1940-41	1941-42	1942-43
	000	000	000	000	000
Number of sheep at beginning of year (1st April)	51,563	48,877	54,372	55,568	56,737
Lambs marked during year	9,286	15,674	14,014	14,616	13,627
Sheep and Lambs slaughtered during year.....	6,311	6,887	8,167	8,115	9,299

(Changes in sheep numbers are affected by interstate movement and deaths on holdings, as well as by slaughtering).

Graziers' returns collected in April and May 1943 indicate that 23,633,000 ewes had been mated or were to be mated for lambing in 1943. This is an increase of over 2 million on last season when 21,577,500 ewes were mated. The lambing last season was 63.1 per cent. of ewes mated.

CATTLE RAISING AND DAIRY INDUSTRIES.

The total number of cows (including heifers over one year) in registered dairies in N.S.W. remained stable from March 1941 to March, 1943 at 1,055,000. Between 1935 and 1939 there was a decline of 105,000 and a further decrease of 14,000 in 1940-41. "Other cattle" shown in the table below included in 1943 217,000 calves and bulls on registered dairies, 83,000 other cows being milked and 1,676,000 "beef cattle".

N.S.W. - NUMBERS OF CATTLE.

Year	Cows in Registered Dairies.	Other Cattle	Total Cattle
	'000	'000	'000
1939	1,069	1,743	2,812
1940	1,069	1,694	2,763
1941	1,055	1,714	2,769
1942	1,055	1,823	2,878
1943	1,055	1,976	3,031

The number of registered dairies in N.S.W. declined each year from 1939-39 to 1941-42 but showed a small increase in 1942-43.

BUTTER PRODUCTION.

Output of butter in N.S.W. in 1942-43 was 98.3 m. lb. compared with 89.2 m.lb. in the previous season and 118.8 m. lb. in 1938-39.

A protracted drought in dairying districts terminated in October, 1942 and the summer output was about normal. Dry conditions in the early months of 1943, then a severe winter, reduced output.

Production of butter in N.S.W. factories in June, 1943 was only 3.68 m.lb. compared with 5.47 m. lb. in June, 1942 and 7.74 m.lb. in June 1939.

Mid-August rains have improved the outlook for butter production in the spring.

N.S.W. BUTTER PRODUCTION.

Million lb.

Year.	ANNUAL OUTPUT			MONTHLY FACTORY PRODUCTION				
	On Farms.	Factories	Total	Feb.	Mar.	Apr.	May	June
1938-39	4.98	113.84	118.82	10.83	12.14	11.88	10.46	7.74
1940-41	4.78	103.78	108.56	12.79	11.74	8.68	6.76	5.18
1941-42	4.10	85.10	89.20	8.31	10.12	8.64	6.79	5.47
1942-43	4.50	93.80	98.30	10.22	8.65	6.13	4.79	3.68

Dairy farmers able to make arrangements to secure milking machines are eligible for assistance through the Advances to Settlers' Agencies of the Rural Bank. The Commonwealth authorities are being approached regarding increased supplies of dairy machinery.

MISCELLANEOUS.

The flax growing industry has shown rapid expansion during the war, the acreage under crop increasing from 2,000 to 60,000. The British contract requires the produce of 50,000 acres and the satisfaction of all Australia's requirements is the aim of the Government. The price of fibre before the war was £5 per ton and it has been increased in stages up to £8 plus bonuses for good quality.

An extensive development of tobacco growing is being planned by the Commonwealth Government.

A Controller of Fisheries has been appointed. He will co-operate with State directors of fisheries departments and representative consultative committees are to be set up in each State. An endeavour will be made to organize the industry and increase production. Retail prices of fish in N.S.W. have been pegged at the level existing on August 19th pending investigation.

Poultry raisers are to be given the concession of buying wheat for stock feed at 3/3d. per bus. (6,000 bus. bulk lots) or 3/3 $\frac{3}{4}$ per bus (truck loads bulk). Bagged wheat for stock feed is 3d. per bus. extra.

Fruit cases are still in very short supply. Prices of new and second-hand cases are fixed.

Fodder production in N.S.W. in 1942-43 was about 1 m. tons but difficulty has been experienced in transporting it to coastal areas for dairy farmers and pig and poultry raisers. Arrangements have been made by Commonwealth authorities to send extra wheat supplies to Queensland, after which the railways may be able to move more fodder.

A State Committee has been established to take the place of the recently dissolved Commonwealth Fodder Conservation Board in N.S.W. The new committee will operate and co-ordinate fodder conservation schemes in N.S.W., including the allocation of advances.

Arrangements have been made for drought relief to be given at once to necessitous dairy farmers on the North Coast.

Food Supply. Owing to shortages of vegetables in North Queensland the Commonwealth Government has decided to plant 1000 acres to vegetables in local districts.

Supplies of beef available to Melbourne shops have been reduced in a manner similar to that applying in Sydney. The Prime Minister stated that supplies of meat to the United Kingdom, other than from Australia, had been reduced. Demands of Allied forces in the Australian theatre of war are increasing.

Pig raisers who, through feed shortage, are unable to carry out the recent order to take pigs to baconer weights, have been permitted to dispose of pigs at weights of 85 to 100 lb.

12.

COAL.

Stocks of coal held by the Sydney County Council Electricity Undertaking and the Australian Gaslight Company are below normal. A Victorian Railways Commissioner stated that unless the coal supply position improved by the end of August, restrictions on rail services would be necessary.

The Prime Minister has asked the Coal Commission to report on methods of increasing output.